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SECRET

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THIS IS UNEVALUATED INFORMATION

- 25X1 1. The main financial man for the DSP (whose president is Dr. Günther Gereke) and for the journals Der Deutsche Weg and Wir Bauern, is Dr. Hermann Korte, 25X1 second president of the DSP. Korte lives in Lebbien (sic) in the district 25X1 of Dannenberg/Elbe.
2. The financing is handled through the Union for Mutual Assistance of Peasants (VDGB) in East Berlin. Korte's major financial operation began in December 1951 with a beginning capital of 800,000 DM. Since that date 4,300,000 DM have been transferred. Wir Bauern receives 50,000 DM a month, and Der Deutsche Weg 20,000 a month through Dr. Korte. Both papers are printed without charge by the Landdruck GmbH in Dannenberg, whose owner, Otto Dennstedt, received a credit of 60,000 DM from Korte.

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4. A certain Schwartz (fnu) is charged with watching all the people in this group. He is a member of the State Security Service (SSD), and is present at all organizational and political meetings.

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5. Since the beginning of 1952 there has been discord among the leading SED people over the close contact between the DSP and the followers of Otto Strasser. At the beginning of March 1952 Dr. Gereke received an ultimatum with regard to the radical reconstruction of his "fascist line." As Gereke, in spite of promises, did not carry this out, further funds for the DSP were cut off, and since 6 June 1952 the DSP has received no East Zone financial support.¹

6. The decision was made by Walter Ulbricht, who said; "If the West German Right radical parties must be financed, it will not be done through the DSP, but directly."

25X1 7. The head of the Soviet "Central" in Karlshorst [redacted] told Ulbricht that Gereke was unmanageable because of his personal policy and the fact that he accepts funds from the Strasser group.

25X1 [redacted] Comment: It is not known whether this had any bearing on Gereke's recent defection to the East.

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